Indian Voluntary Agencies for the purchase of materials and equipments for development projects;

(b) what benefits/concessions in the matter of excise duty and sales tax etc. are allowed to the beneficiary Voluntary Agencies for the purchase of goods and machinery for their welfare projects under this scheme; and

(c) whether the provision of some more concessions are being contemplated by Government under this scheme to encourage foreign Voluntary Agencies to participate in the development programmes in the country and if so, the nature of concessions likely to be offered?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (c) Salient feature of the Demed Export Policy and the benefits admissible under the Import Replenishment Schemes are contained in Chapter XVI of the Import-Export Policy, 1988—91.

Supplies made in India to Charitable Organisations in the field of health/special welfare/education/rural development against payment in free foreign exchange from foreign Governments/Organisations are also eligible to Supplementary Cash Assistance in lieu of duty drawback and additional Cash Compensatory Support in lieu of terminal excise duty wherever admissible subject to fulfilment of certain conditions.

No change is contemplated at present.

Self-reliance in economy

2410. **SHRI SUNIL BASU RAI**: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that transfer of assets to developed countries is growing;

(b) if so, what is the annual amount and rate thereof;

(c) whether Government are taking steps to regulate it with a view not to jeopardize the self-reliance of the economy; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Rising debt service and the cut in lending has led, since 1984, to net resource transfers (gross disbursement of long-term loans and other financial flows minus debt service payments) from developing countries as a group, to developed countries According to 1987-88 edition of the World Debt Tables issued by the World Bank, such negative transfers from developing to developed countries had amounted to $ 7.3 billion in 1984, $ 20.8 billion in 1985, $ 30.7 billion (preliminary) in 1986 and $ 29.0 billion (estimates) in 1987.

(c) and (d) In the case of India net transfer of financial resources from abroad continues to be positive. India's dependence on external financial resources for its investment requirements is not large in relation to the size of her economy and in comparison with many developing countries. However, for keeping the external payments liability within prudent limits, fresh external borrowings are being contracted keeping in view the emerging debt service position of the country.